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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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CROPS UNEVEN—HIGHER GRAINS AND HOGS

The general picture of crop conditions now at mid season is a rather uneven picture. Most of the cultivated crops have made fair growth during the past month, but both corn and potatoes are late in many sections and show wide variation in condition. Haying and cultivation have been held up by local rains through the Central States, whereas wheat has suffered severely from dry weather in the West, as have local areas in the East.

The total acreage of crops harvested this season will apparently be about the same as last season. The composite condition of all crops last month was indicated as about 4 per cent below the recent 10-year average.

Wheat harvest is now going forward in the North. The most spectacular development of the past month has been the change in the wheat situation. The drought in our Plains States and in Canada so reduced the crop prospect for wheat that in one month the Chicago prices advanced nearly 30 cents a bushel. Prices have declined somewhat, however, during the past week or two.

Hard winter wheat, which is normally our chief export class, was estimated last month at nearly 40,000,000 bushels less than a year ago. The spring wheat crop was also estimated at nearly 40,000,000 bushels below last year and the reports indicate further damage to the crop since the July estimate. For those growers who can make a crop, the prospect is much more cheering than it was a month ago.

Haying is well along, with a substantially larger crop than last year. The clover and alfalfa meadows, particularly in the Central and Eastern States, are again back in shape after the extensive winterkilling of last year. While ample hay is assured, however, dairymen and other feeders are beginning to expect higher-priced feed grains this fall.

The prospects for fruit are not good. Virginia and Idaho have a promising crop of apples, but elsewhere the apple crop is below average. Peaches, pears, citrous fruits, and grapes all will be decidedly smaller crops than last year.

The outlook reports compiled during the past month on hogs and poultry reflect somewhat opposite prospects for those two lines of production. The hog situation is regarded as favorable to producers, with the probability of a somewhat decreased market supply during the next 12 months. In the case of poultry, the July 1 estimate indicated about 10 per cent more young chickens on farms than last year. This is presumed to mean more poultry coming to market this fall and increased egg production by next spring.

THE HOG OUTLOOK

Supplies of hogs for slaughter during the next 12 months are expected to be somewhat less than during the past year. Current storage holdings are smaller than the unusually large stocks in July a year ago. No marked change in either domestic or foreign demand is likely during the next 18 months. If producers respond to the situation as they have responded to similar situations in the past, an increase in hog production probably will occur in 1930. A production in 1930, equal to that of 1928, would probably bring a price high enough to result in about an average corn-hog ratio.

HOG SUPPLY SITUATION

Supplies to November 1, 1929.

Slaughter of hogs for the remainder of the hog-crop year, July to October, will probably be somewhat smaller than during this period in 1928. The reduction in slaughter may be offset to some extent by the better quality and heavier weights of the hogs marketed. The slaughter will be somewhat differently distributed over the period this year than last, with a larger proportion of the total in July and August and a smaller proportion in September and October.

Supplies November 1, 1929, to May 31, 1930.

While the June, 1929, pig survey shows a decrease in the 1929 spring pig crop from that of 1928 of about 6 per cent for the Corn Belt States and 8 per cent for the United States, the survey reports have generally overestimated the amount of change in the spring pig crop of the Corn Belt. The reduction in that area is probably not over 4 per cent, which would be equivalent to about 1,600,000 head. Because of the very marked decrease in the spring pig crop this year shown in States outside the Corn Belt that contribute to a considerable extent to the commercial supply of hogs (especially in the South Central area), the decrease in the inspected slaughter next winter and spring will probably be more than the indicated decrease in the spring pig crop in the Corn Belt.

The distribution of the marketings of the spring pig crop will depend largely upon the size of the corn crop and the relation of hog prices to corn prices. Conditions early in July point to a fairly favorable corn-hog ratio during the early winter, which has usually resulted in a smaller than average proportion of the spring crop being marketed before January and a larger than average proportion after January.

Supplies June 1 to November 1, 1930.

The pig survey indications as to sows bred or to be bred to farrow this summer and coming fall point to little change in the size of the fall pig crop of 1929 from that of 1928 in the Corn Belt States, but to decreases in areas outside the Corn Belt. Supplies of hogs in the summer and fall of 1930 will probably not be much different from those of this year.

Storage Supplies.

Storage supplies of pork and lard are smaller than the unusually heavy stocks of a year ago, but they still remain above the 5-year July average. Combined stocks of pork products and lard on July 1

were 1,045,000,000 pounds, or 7.5 per cent less than on July 1, 1928, and 9.9 per cent larger than the 5-year average. Pork products alone were 7.7 per cent less than a year ago and 6.3 per cent larger than the 5-year average. Lard stocks, amounting to 200,000,000 pounds, were the third largest on record for July, but 6.7 per cent less than the record stocks of a year ago. This decrease in storage holdings, combined with a probable decrease in hog slaughter, points to a significant decrease in hog products to be distributed during the next four months compared to last year.

PRICE OUTLOOK

Prices for the Winter of 1929-1930.

The price decline which comes in the late fall following the summer rise is expected to be more gradual and smaller than that which occurred last fall since marketings are expected to be more normally distributed. Prospective supply and demand conditions point to a higher average hog price for next winter and spring than the \$9.77 of the past winter and spring. The spread in prices between the winter low and spring high will probably be less marked than a year earlier.

If hog producers react to the situation as they have responded to similar conditions in the past, there probably will be an increase in farrowings next spring. This, together with prospective European increases, will tend to start prices on the downward swing of the cycle during the latter part of 1930.

(From report of this bureau, released July 15, 1929.)

THE POULTRY AND EGG OUTLOOK

Increased supplies of poultry are in prospect this fall and winter, with consequent reductions in poultry prices probable compared with the high prices of last fall and winter. While egg supplies are expected to remain low and egg prices to be well maintained through the fall, probable increases in production in the late winter and spring seem likely to reduce prices somewhat below the levels of a year earlier unless an exceptional proportion of the flocks are marketed this fall.

The increase of 10 per cent in the number of young chickens on hand July 1 indicates larger marketings of poultry this fall and winter, than a year ago. This increase in marketings may be augmented because of the prospective higher prices of feed and the general lateness of this year's hatch, and restricted somewhat because of a tendency to increase numbers of hens in laying flocks.

Smaller expected layings during the last half of the year than last year, and extremely light storage reserves point to higher egg prices this fall. During the winter months the reduced storage supplies will tend to be offset by an increased production of eggs, due to increased numbers of birds in laying flocks. The unusual price advance which occurred last February reflected exceptional weather conditions and is not likely to be repeated this winter. It is uncertain whether for the winter as a whole egg prices will average as high as they did last winter. Prices of eggs next spring should be

expected to be somewhat lower than this spring on account of the probable increase in the supply that will result from the increase in production of chickens this year, unless producers cull drastically and send an exceptional proportion of their young birds to market this year.

Number of Hens.

Poultry producers had on hand July 1 in their laying flocks about 4 per cent fewer birds than on July 1, 1928, or 1927, according to reports covering more than 20,000 flocks on the farms of crop reporters of the United States Department of Agriculture. Present numbers are about 1 per cent more than in July, 1925, after the heavy slump from the high peak in 1924.

Number of Young Chickens.

Numbers of young chickens on July 1 this year show an increase over last year of 10 per cent. This just about balances the reduction in numbers of young birds reported on July 1 last year, so that present numbers are practically the same as two years ago. Information covering about 500 commercial flocks in the North Atlantic States and the State of Washington indicates that numbers of hens are somewhat less than last year in commercial flocks also and that the increase in young birds is probably about the same as in farm flocks. Similar data for California are lacking, although the returns from commercial hatcheries indicate similar conditions there, hatchings having increased greatly this year over last year, though not sufficiently to offset the extreme reduction in hatching last year.

Unless the proportion of birds marketed during the rest of the year is relatively large, producers are likely to increase their laying stock for next year as much as or more than it decreased this year and to start the new season with fully as many hens and pullets in their flocks as they had in the fall of 1927.

Situation Favorable for Culling.

Present farm-price levels for poultry are the highest since 1920, with the June farm price of chickens 15 per cent above the June average, 1923-1927. The poultry man is in position, if he desires, to sell off now at favorable prices low-producing hens and those that have ceased to lay and are not to be carried over into next year. The price for young poultry, while probably lower than last fall, promises to be such that he may advantageously dispose of not only his surplus males, but also of unpromising and late pullets. This course is likely to be encouraged by the feed situation this fall, if it develops in line with present early indications.

Egg Production.

Egg production thus far this calendar year has been about 1 per cent less than last year, judging from the reported first-of-the-month layings by farm flocks. Egg production has thus shown a smaller decrease than the 4 per cent reduction in number of layers. The greater abundance and somewhat lower price of feed with the higher price of eggs during recent months compared with last year has had an influence in the heavier layings this year.

Storage Situation.

Cold-storage holdings of eggs in the United States on July 1 amounted to 8,499,000 cases, as compared with 10,002,000 cases July 1, 1928, and the 5-year July 1 average of 9,573,000 cases. Total holdings of frozen eggs on July 1, 1929, were 84,763,000 pounds, as compared with 77,744,000 pounds a year ago, and the 5-year average of 55,328,000 pounds, the increase compared with last year being equivalent to about 212,000 cases of shell eggs. The relative shortage in present reserves, even allowing for increase in frozen eggs, is a factor of considerable strength on the market, and it probably will remain so, at least until such time as the out-of-storage movement may be affected by the expected increase in production when this year's increased crop of pullets begins to lay.

FUTURE EGG SUPPLY SITUATION*Fall and Winter Production.*

Egg production during the fall is likely to be a few per cent less than last year, the number of layers being less this year and the rate of laying during the latter months of last year having been above the average. The somewhat heavier than usual layings per hen this year to date might be expected to be followed by somewhat lighter than usual layings for the rest of the year. Other factors, such as the weather, supply of feed, and price of eggs during the rest of the year, will have a bearing. Layings during the winter are likely to be greater if the prospective increase in numbers of layers takes place. Owing to the lateness of the hatchings, layings by pullets may begin later in the season, but the probable increase in total number of birds in the laying flock should more than offset this early handicap.

Egg Production Next Spring.

Production next spring will reflect the number of hens carried over, the increased number of pullets saved for layers, the possible shorter supply and higher price of feed, and the weather.

The number of hens carried over into 1930 seems likely to be about the same as carried into 1929. The number of hens is now somewhat less and the price being paid for them, as meat is somewhat higher than a year ago, but the price for eggs is at present higher and the price of feed lower, with a consequent better margin of profit, so that poultry men may be inclined to increase their flocks. Lateness of the pullet hatch may tempt some producers to carry over a bigger proportion of hens than usual.

The number of pullets saved will probably be larger than last year. With 10 per cent more young birds on hand July 1, there will probably be a greater number saved for the laying flock, even though the late hatchings may lead to a reduction in the proportion of the young saved for layers. All things considered, the supply of eggs next spring promises to be somewhat greater than this spring.

OUTLOOK FOR EGG PRICES

Receipts for the flush production season thus far are slightly in excess of last season, but to offset this storage reserves show a very marked decline as compared with a year ago. These two facts

considered together indicate heavier consumption than a year ago, and since prices have been somewhat higher an increase in demand. The demand for eggs next spring will probably be maintained near or slightly below this year's level so far as can now be foreseen.

The price situation appears favorable for the coming fall, with the peak prices for fresh eggs probably above those of last fall. With probable increased receipts of fresh eggs during December and January, especially from commercial flocks, the prices of the higher grades may suffer more than the usual reduction during those months, even though the prices of other eggs may be maintained on a par with those of a year earlier. With the prospective increase in egg supplies next spring, some recessions below prices prevailing this spring may be expected, even though demand should be maintained at this year's level. A weakening in business activity, should this occur, might have a further depressing effect upon egg-price levels.

(From report of this bureau, released July 22, 1929.)

THE TREND OF CROP PRODUCTION

	1913 production	5-year average, 1923-1927 production	1928 production	1929, July 1 forecast
	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>
Winter wheat.....bushels..	443.3	549	578	582
Spring wheat.....do.....	246.8	260	324	251
All wheat.....do.....	690.1	810	902	834
Corn.....do.....	2,712.4	2,747	2,836	2,662
Oats.....do.....	1,143.4	1,345	1,449	1,247
Barley.....do.....		209	357	317
Flaxseed.....do.....	19.6	23.2	18.7	19.9
Potatoes, white.....do.....	357.7	383	464	379
Sweet potatoes.....do.....	57.4	78	78	77
Tobacco.....pounds..	996	1,331	1,378	1,493
Rice.....bushels..	23.8	37	42	33
Hay, all tame.....tons..	67	93	93	99
Apples, total.....bushels..	176.3	183	186	154
Apples, commercialbarrels.....		33	35	30
Peaches.....bushels..		52	68	47
Sugar beets.....tons..		7.5	7.1	7.6
Beans, dry.....bushels..		17	17	18

The July estimates indicated decreases this season in the acreages of corn, oats, rye, rice, potatoes, and cowpeas, and increases in the acreages of wheat, barley, flaxseed, cotton, hay, sweet potatoes, tobacco, beans, peanuts, soy beans, and sugar beets. Allowing for some late crops still to be planted and for usual loss of acreage from drought, flood, and other causes, the total crop acreage harvested this season seems likely to be about the same as that harvested last season.

It is still too early to forecast accurately the production of late planted crops, but the reports received from producers indicate that up to July 1 the weather was 2.7 per cent more favorable for crops than it was last year, but in all groups of States the weather has, on the average, been less favorable than during the preceding 10 years. In the country as a whole the condition of crops averages 3.7 per cent below the 1918-1927 average. On the 1st of July, crops were in a particularly critical condition in the northern Great Plains region, where drought and high temperatures prevailed and, prospects were declining daily. The estimates for this area allow only for damage in evidence on the first of the month.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

	5-year average, August, 1909- July, 1914	June average, 1910- 1914	June, 1928	May, 1929	June, 1929
Cotton, per pound--cents--	12.4	12.7	19.7	18.0	17.9
Corn, per bushel----do----	64.2	68.4	102.2	86.2	86.9
Wheat, per bushel----do----	88.4	89.0	132.0	90.1	86.8
Hay, per ton-----dollars--	11.87	12.16	11.01	12.15	11.88
Potatoes, per bushel--cents--	69.7	71.8	83.6	59.3	63.3
Oats, per bushel----do----	39.9	41.8	61.4	44.6	42.5
Beef cattle, per 100 pounds -----dollars--	5.22	5.44	9.10	9.72	9.72
Hogs, per 100 pounds -----dollars--	7.23	7.16	8.70	9.96	9.80
Eggs, per dozen-----cents--	21.5	16.7	23.9	24.4	26.1
Butter, per pound----do----	25.5	23.2	42.2	43.6	42.5
Butterfat, per pound--do----			43.5	45.4	43.6
Wool, per pound----do----	17.7	17.5	38.7	31.3	30.2
Veal calves, per 100 pounds -----dollars--	6.75	6.77	11.56	12.11	12.06
Lambs, per 100 pounds -----dollars--	5.91	6.30	13.18	12.79	12.31
Horses, each-----do----	142.00	145.00	86.00	85.00	84.00

Actual prices received by producers at local farm markets as reported to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

The average farm price of corn in the United States on June 15 was nearly 1 per cent higher than on the 15th of May. The farm price advanced about 2 per cent in the North Central States during this period, but this advance was partially offset by a 4 per cent decline in the North Atlantic States and approximately a 1 per cent decline in the South Central division. Price-strengthening factors which favored the price advance for the country as a whole were the lateness of corn planting, unusually small market receipts and the heavy reduction in commercial market stocks during the latter part of May and the first half of June.

At 87 cents per bushel, the farm price of wheat on June 15 was 4 per cent lower than a month previous, 36 per cent below the farm price on June 15, 1928, and 2 per cent lower than the 5-year average price paid farmers from 1909 to 1913.

The advance in the average farm price for the United States was attributed largely to the shift in sales to a new-crop basis in the areas of early potato production and indications of greatly reduced available supplies from second-early States during the current two months as compared with last year.

PRICE INDEXES FOR JUNE, 1929

Farm products figures from this bureau; commodity groups from Bureau of Labor Statistics (latter shown to nearest whole number). Shows year ago and latest available month.

FARM PRODUCTS

[Prices at the farm, August, 1909–July, 1914=100]

	June, 1928	May, 1929	June, 1929	Month's trend
Cotton.....	159	145	144	Lower.
Corn.....	159	134	135	Higher.
Wheat.....	149	102	98	Lower.
Hay.....	93	102	100	Do.
Potatoes.....	120	85	91	Higher.
Beef cattle.....	175	187	187	Unchanged.
Hogs.....	120	138	135	Lower.
Eggs.....	111	113	121	Higher.
Butter.....	165	171	167	Lower.
Wool.....	217	176	170	Do.

COMMODITY GROUPS

[Wholesale prices, 1926=100]

	June, 1928	May, 1929	June, 1929	Month's trend
Farm products.....	107	102	103	Higher.
Foods.....	100	98	99	Do.
Hides and leather products.	124	107	108	Do.
Textile products.....	96	94	93	Lower.
Fuel and lighting.....	82	81	83	Higher.
Metals and metal products.	99	105	105	Unchanged.
Building materials.....	94	97	96	Lower.
Chemicals and drugs.....	95	94	93	Do.
House-furnishing goods....	97	97	97	Unchanged.
All commodities.....	98	96	96	Do.

GENERAL TREND OF PRICES AND WAGES

[1910-1914=100]

Year and month	Whole-sale prices of all commodities ¹	Industrial wages ²	Prices paid by farmers for commodities used in—			Farm wages	Taxes ³
			Living	Pro-duction	Living production		
1910.....	103	-----	98	98	98	97	-----
1911.....	95	-----	100	103	101	97	-----
1912.....	101	-----	101	98	100	101	-----
1913.....	102	-----	100	102	100	104	-----
1914.....	100	-----	102	99	101	101	100
1915.....	103	101	107	103	106	102	102
1916.....	129	114	125	121	123	112	104
1917.....	180	129	148	152	150	140	106
1918.....	198	160	180	176	178	176	118
1919.....	210	185	214	192	205	206	130
1920.....	230	222	227	175	206	239	155
1921.....	150	203	165	142	156	150	217
1922.....	152	197	160	140	152	146	232
1923.....	156	214	161	142	153	166	246
1924.....	152	218	162	143	154	166	249
1925.....	162	223	165	149	159	168	250
1926.....	154	229	164	144	156	171	253
1927.....	149	231	161	144	154	170	-----
1928.....	153	232	162	146	156	169	-----
June—							
1921.....	144	202	-----				-----
1922.....	152	196	-----				-----
1923.....	156	219	-----				-----
1924.....	147	214	-----				-----
1925.....	160	220	-----				-----
1926.....	155	228	165	145	157	-----	-----
1927.....	146	230	161	145	155	-----	-----
1928.....	153	232	163	148	157	-----	-----
1928							
November.....	151	233	-----				-----
December.....	151	237	162	146	156	-----	-----
1929							
January.....	152	234	-----			162	-----
February.....	151	236	-----				-----
March.....	153	239	161	149	156	-----	-----
April.....	152	237	-----			167	-----
May.....	150	236	-----				-----
June.....	151	236	-----				-----

¹ Bureau of Labor Statistics. Index for 1928 obtained by multiplying new series by 156.6.

² Average weekly earnings, New York State factories. June, 1914=100.

³ Index of estimate of total taxes paid on all farm property. 1914=100.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August, 1909–July, 1914=100]

Year and month	Index numbers of farm prices							Prices paid by farmers for commodities bought ¹	Ratio of prices received to prices paid
	Grains	Fruits and vegetables	Meat animals	Dairy products	Poultry products	Cotton and cotton-seed	All groups 30 items		
1910.....	104	91	103	100	104	113	103	98	106
1911.....	96	106	87	97	91	101	95	101	93
1912.....	106	110	95	103	101	87	99	100	99
1913.....	92	92	108	100	101	97	100	100	99
1914.....	103	100	112	100	105	85	102	101	101
1915.....	120	83	104	98	103	78	100	106	95
1916.....	126	123	120	102	116	119	117	123	95
1917.....	217	202	173	125	157	187	176	150	118
1918.....	226	162	202	152	185	245	200	178	112
1919.....	231	189	206	173	206	247	209	205	102
1920.....	231	249	173	188	222	248	205	206	99
1921.....	112	148	108	148	161	101	116	156	75
1922.....	105	152	113	134	139	156	124	152	81
1923.....	114	136	106	148	145	216	135	153	88
1924.....	129	124	109	134	147	211	134	154	87
1925.....	156	160	139	137	161	177	147	159	92
1926.....	129	189	146	136	156	122	136	156	87
1927.....	128	155	139	138	141	128	131	154	85
1928.....	130	146	150	140	150	152	139	156	90
June—									
1921....	117	140	105	132	114	78	110	-----	-----
1922....	111	197	121	128	113	160	128	-----	-----
1923....	119	161	103	142	114	207	133	155	86
1924....	116	146	105	126	115	219	130	153	85
1925....	164	184	139	130	135	183	148	160	92
1926....	130	216	154	128	138	132	139	157	89
1927....	140	201	129	132	102	119	130	155	84
1928....	152	168	150	134	127	162	145	157	92
1928									
November..	110	109	150	144	185	146	134	156	86
December..	112	108	143	146	197	148	134	156	86
1929									
January....	115	109	146	145	161	148	133	156	86
February...	123	111	150	144	158	149	136	156	87
March.....	124	112	160	144	144	155	140	156	89
April.....	120	110	164	142	127	152	138	² 156	² 88
May.....	113	119	164	139	134	148	136	² 156	² 87
June.....	111	120	163	135	140	146	135	² 156	² 86

¹ These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

² Preliminary.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this bureau.

	Receipts					
	Wheat	Corn	Hogs	Cattle	Sheep	Butter
Total—	<i>1,000 bushels</i>	<i>1,000 bushels</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000 pounds</i>
1920---	332, 314	210, 332	42, 121	22, 197	23, 538	402, 755
1921---	435, 606	340, 908	41, 101	19, 787	24, 168	468, 150
1922---	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923---	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924---	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925---	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926---	362, 876	234, 873	39, 772	23, 872	23, 868	572, 935
1927---	455, 991	241, 245	41, 411	22, 763	23, 935	581, 592
1928---	495, 450	335, 149	46, 527	21, 477	25, 597	578, 845
June—						
1920---	19, 458	24, 788	3, 709	1, 879	1, 640	57, 504
1921---	28, 480	34, 463	3, 579	1, 580	1, 850	64, 905
1922---	18, 402	35, 281	3, 776	1, 759	1, 700	78, 361
1923---	18, 217	14, 610	4, 204	1, 629	1, 426	75, 970
1924---	16, 877	17, 392	4, 296	1, 673	1, 550	77, 487
1925---	20, 465	17, 381	3, 507	1, 746	1, 603	74, 172
1926---	18, 505	23, 912	3, 143	1, 871	1, 913	75, 931
1927---	18, 346	26, 361	3, 775	1, 732	1, 816	75, 756
1928---	13, 883	18, 345	3, 548	1, 558	1, 913	69, 650
1928						
July-----	64, 846	24, 535	2, 924	1, 650	1, 898	65, 145
August-----	78, 372	20, 485	2, 523	1, 829	2, 362	55, 339
September---	72, 579	19, 608	2, 600	2, 191	3, 386	44, 969
October-----	82, 346	15, 308	3, 666	2, 541	3, 938	41, 884
November---	40, 901	28, 645	4, 075	1, 963	2, 053	36, 616
December---	31, 976	44, 128	4, 773	1, 510	1, 610	36, 863
1929						
January-----	21, 307	37, 993	5, 061	1, 635	1, 876	44, 922
February---	26, 154	31, 818	3, 922	1, 191	1, 543	41, 557
March-----	25, 788	21, 775	3, 378	1, 445	1, 526	46, 186
April-----	16, 666	15, 152	3, 545	1, 748	2, 010	48, 707
May-----	17, 996	11, 249	3, 375	1, 653	2, 169	63, 259
June-----	23, 785	20, 818	3, 230	1, 443	1, 749	69, 511

Considerably more wheat and somewhat more corn went to market in June than during the same month last year.

On the other hand, the runs of hogs, cattle, and sheep were lighter than a year ago.

Butter receipts during June were about the same as in June a year ago.

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by division of statistical research of this bureau.

Year and month	Wheat including flour ¹	Tobacco (leaf)	Bacon, hams, and shoulders ²	Lard	Total meats ³	Cotton running bales ⁴
	<i>1,000 bushels</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 bales</i>
Total—						
1920---	311, 601	467, 662	821, 922	612, 250	1, 043, 500	6, 111
1921---	359, 021	515, 353	647, 680	868, 942	786, 280	6, 385
1922---	235, 307	430, 908	631, 452	766, 950	733, 832	6, 015
1923---	175, 190	474, 500	828, 890	1, 035, 382	958, 472	5, 224
1924---	241, 454	546, 555	637, 980	944, 095	729, 832	6, 653
1925---	138, 784	468, 471	467, 459	688, 829	547, 361	8, 362
1926---	193, 971	478, 773	351, 591	698, 961	428, 613	8, 916
1927---	228, 576	506, 252	237, 720	681, 303	302, 795	9, 199
1928---	151, 976	575, 408	248, 278	759, 722	315, 586	8, 546
June—						
1920---	22, 150	28, 063	82, 008	45, 070	112, 135	238
1921---	32, 486	47, 328	53, 549	67, 656	63, 084	489
1922---	18, 387	30, 324	55, 620	57, 249	64, 124	478
1923---	13, 042	49, 730	59, 472	64, 605	68, 797	213
1924---	10, 492	52, 614	44, 144	59, 475	49, 772	218
1925---	10, 922	27, 460	39, 690	59, 799	45, 398	211
1926---	11, 210	30, 762	23, 861	56, 482	29, 681	339
1927---	11, 515	32, 870	25, 326	66, 404	30, 902	468
1928---	8, 230	30, 278	23, 850	53, 436	29, 014	444
1928						
July-----	7, 193	19, 417	25, 851	52, 940	31, 268	331
August-----	14, 775	26, 200	14, 913	50, 658	31, 300	253
September---	22, 732	56, 953	13, 956	46, 158	18, 685	810
October-----	28, 548	88, 109	10, 055	59, 865	15, 724	1, 241
November---	16, 195	77, 599	14, 710	67, 716	20, 287	1, 428
December---	12, 053	67, 583	18, 885	86, 358	23, 040	1, 058
1929						
January-----	9, 833	44, 166	24, 669	89, 932	31, 684	787
February---	8, 948	48, 390	19, 512	65, 924	27, 129	613
March-----	9, 405	30, 602	23, 346	70, 572	31, 190	556
April-----	9, 151	39, 073	25, 062	59, 144	30, 748	454
May-----	16, 128	32, 202	27, 106	64, 192	33, 915	313
June-----	9, 003	28, 168	26, 895	67, 252	33, 903	299

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Includes fresh, canned, and pickled beef; bacon, hams, and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb.

⁴ Excludes linters.

COLD-STORAGE SITUATION

[July 1 holdings (shows nearest million; i. e., 000,000 omitted)]

Commodity	5-year average	Year ago	Month ago	July 1, 1929
Creamery butter.....pounds--	77	70	28	92
American cheese.....do----	50	54	48	63
Case eggs.....cases--	¹ 9,573	¹ 10,002	¹ 6,705	¹ 8,499
Total poultry.....pounds--	44	38	42	42
Total beef.....do----	49	32	57	52
Total pork.....do----	795	915	871	845
Lard.....do----	156	214	183	200
Lamb and mutton, frozen...do----	2	2	2	3
Total meats.....do----	911	1,013	1,013	981

¹ Three figures omitted.

The into-storage movement of creamery butter during June was 63,542,000 pounds, an increase of 223 per cent over June 1 holdings. During the same period a year ago, the increase was 53,798,000 pounds or 337 per cent. The 5-year average movement is 55,443,000 pounds. Stocks were in excess of last year by 22,161,000 and of the 5-year average by 15,008,000 pounds.

Stocks of American cheese were increased by 15,098,000 pounds and were 9,093,000 above last year and 12,855,000 above the 5-year average.

Total stocks of all varieties of cheese were 79,725,000 pounds compared with 68,613,000 a year ago, an excess of 11,112,000 pounds. The excess above the 5-year average was approximately 14,000,000 pounds.

Case-egg holdings were short of last year at this date by 1,503,000 cases and of the 5-year average by 1,074,000. The increase during June was 1,794,000 cases. This compares with 1,834,000 a year ago. The 5-year average movement has been 1,782,000 cases.

Frozen-egg stocks were increased by 13,203,000 pounds, as compared with 9,803,000 pounds during June last year. Holdings were in excess of a year ago by 7,019,000 pounds and 29,435,000 above the 5-year average.

There was a slight increase in frozen poultry holdings which was unusual, as normally reductions continue until about September 1. Stocks were 41,995,000 pounds compared with 38,230,000 a year ago. The 5-year average is 43,694,000.

Frozen and cured beef stocks were reduced by 5,340,000 pounds, which left holdings nearly 20,000,000 pounds heavier than July 1 a year ago and approximately 3,000,000 in excess of the 5-year average.

Frozen and cured pork holdings were cut down by approximately 26,000,000 pounds. There were slightly over 70,000,000 less than a year ago but 50,000,000 greater than the 5-year average.

Total stocks of meats were 980,643,000 pounds, or about 32,000,000 less than a year ago and 69,000,000 above the 5-year average.

Lard stocks were increased during the month by over 16,500,000 pounds and were something over 14,000,000 less than July 1, 1928, and 44,000,000 in excess of the 5-year average.

WM. BROXTON,
Cold-Storage Report Section, B. A. E.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

	June, 1928	May, 1929	June, 1929	Month's trend
PRODUCTION				
Pig iron, daily (thousand tons) --	103	126	123	Decrease.
Bituminous coal (million tons) --	36	40	38	Do.
Steel ingots (thousand long tons). ¹	3,744	5,273	4,881	Do.
CONSUMPTION				
Cotton by mills (thousand bales).	¹ 510	668	570	Do.
Unfilled orders, Steel Corporation (thousand tons).	3,637	4,304	4,257	Do.
Building contracts in 27 North-eastern States (million dollars).	573	510	462	Do.
Hogs slaughtered (thousands) --	2,269	2,083	2,081	Do.
Cattle slaughtered (thousands) --	963	979	901	Do.
Sheep slaughtered (thousands) --	1,020	1,101	1,020	Do.
MOVEMENTS				
Bank clearings (New York) (billion dollars).	35	37	36	Do.
Carloadings (thousands) ----- ¹	4,924	4,206	5,261	Increase.
Mail-order sales (million dollars)	45	55	58	Do.
Employees, New York State factories (thousands).	455	484	485	Do.
Average price 25 industrial stocks (dollars).	252	363	373	Do.
Interest rate (4-6 months' paper, New York) (per cent).	¹ 4.88	6.00	6.00	Unchanged.
Retail food price index (Department of Labor). ²	153	153	155	Increase.
Wholesale price index (Department of Labor). ³	98	96	96	Unchanged.

¹ Revised.² 1913=100.³ 1926=100.

Data on this page, excepting livestock slaughter and price indexes, are from the "Survey of Current Business," Bureau of the Census, United States Department of Commerce.

SUMMARY OF DAIRY STATISTICS

[Million pounds, 000,000 omitted]

PRODUCTION

	June			January to June, inclusive		
	1929	1928 ¹	Per cent change	1929	1928 ¹	Per cent change
Creamery butter.....	181	179	+ 1. 53	784	759	+ 3. 2
Farm butter.....	74	75	- 1. 7	290	295	- 1. 7
Total butter.....	255	254	+ 0. 6	1, 073	1, 054	+ 1. 9
Cheese.....	49	56	- 12. 3	187	220	- 14. 9
Condensed and evaporated milk.....	290	255	+ 13. 7	1, 139	1, 093	+ 4. 2
Total milk equivalent.....	6, 583	6, 534	+ 0. 8	27, 253	26, 953	+ 1. 1

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Butter.....	192	200	- 4. 2	1, 053	1, 031	+ 2. 1
Cheese.....	39	42	- 9. 1	218	249	- 12. 4
Condensed and evaporated milk.....	201	161	+ 24. 4	975	959	+ 1. 6
Total milk equivalent.....	4, 921	5, 036	- 2. 3	26, 739	26, 545	+ 0. 7

¹ Corrected to final figures.

T. R. PIRTLE,
Division of Dairy and Poultry Products, B. A. E.

THE DAIRY-MARKET SITUATION

The general dairy-market situation remains steady. Some price reductions in butter, reflecting continued heavy production, heavy reserve supplies, and the usual falling off in demand for storage, have been about the only significant price changes in July. There have been no changes in the trends of production of any of the important dairy products. All things considered, the situation is best described as steady, the natural optimism of the industry being somewhat tempered by the heavy production of butter and condensed and evaporated milk, and the large reserve stocks now on hand.

July butter prices have averaged about $1\frac{1}{2}$ cents lower than June prices and nearly 3 cents lower than July, 1928. At the time of writing (July 25) it appears that the July average for 92-score butter at New York will be close to 42 cents per pound, compared with 43.54 cents in June and 44.93 cents for July a year ago. Last year July prices averaged nearly 1 cent higher than for June, but reference to records for previous years indicates that it is not uncommon for July to average the lower of the two months. It is notable, however, that following the decline to the lower level which came late in June and early in July, the price level has been very steady, with all price fluctuations falling between $41\frac{1}{2}$ and $42\frac{1}{2}$ cents.

Cheese prices, also, have been showing a slight downward trend at the terminal markets, although there has been no change during July in the weekly cheese board prices established at Plymouth, Wis. Cheese prices continue to be well below a year ago, the margin between the two years being 3 to $3\frac{1}{2}$ cents toward the close of July. The situation is now regarded as steady at prices now prevailing.

Concentrated milk market conditions have shown little, if any, change during the month, and developments reported are largely of a seasonal nature. In face of heavy production, prices have been well maintained, being aided by favorable weather for ice cream sales, which is always reflected in heavy takings of the various forms of bulk concentrated milk.

The production of manufactured dairy products continues, in general, the trend seen in previous months, with all major commodities except cheese showing increases over a year ago. June production is estimated as 1.5 per cent heavier than last year for creamery butter, 13.7 per cent higher for condensed and evaporated milk, and 12.3 per cent lower for cheese. On a milk equivalent basis, total production of these commodities was somewhat more than 1 per cent higher than in 1928. Such information as is available for July indicates that production is being maintained above a year ago, that the expected and usual seasonal decreases are occurring, and that general conditions are rather favorable for continued large production during the period immediately ahead. Prospects for higher feed prices this fall and possibility of less favorable pastures later in the season make the production expectation more doubtful at that time.

The reserve stock situation shows that practically all forms of manufactured dairy products are being held in quantities in excess of a year ago. Total butter stocks on July 1 were reported as 91,911,000 pounds, as compared with 69,750,000 pounds on July 1,

1928, and the July 1 average for the past five years of 76,903,000 pounds. It is thus seen that reserve stocks on July 1 were 22,161,000 pounds in excess of last year and 15,008,000 pounds above the 5-year average. Weekly reports of cold-storage movement in 26 cities during July indicate that storage accumulations continue to exceed last year and point to a still larger excess over last year on August 1. American cheese holdings on July 1 were 62,739,000 pounds, as compared with 53,646,000 pounds a year earlier. This excess, when considered with the decreased production this year, clearly indicates decreased consumption. Since prices have been consistently lower this year than last, it is also obvious that there has been a reduction in demand. Stocks of condensed and evaporated milk are also larger than a year ago, amounting to 280,348,637 pounds on July 1, as compared with 244,473,226 pounds in 1928 and the average for the past five years of 235,808,919 pounds. This is not a new situation, as stocks this year have been consistently above corresponding months of 1928.

To sum up the factors which shape the dairy situation, increased production of all major commodities, excepting cheese, larger reserve holdings of all the major products, and lower prices than a year ago on butter and cheese are seen. There was apparently reduced consumption of both products in June as compared with June, 1928, and a marked reduction in consumption of the latter for the year to date. Butter, however, shows a slight increase for the year thus far, and condensed and evaporated milk show a marked increase in June and a small increase over last year for the period January to June. Although there are undoubtedly a number of unsettling factors in the situation, general market sentiment remains steady at prevailing price levels.

C. E. ECKLES,

Division of Dairy and Poultry Products, B. A. E.

FARM PRICES OF FARM PRODUCTS AND INDEX OF RETAIL PRICES OF COMMODITIES FARMERS BUY

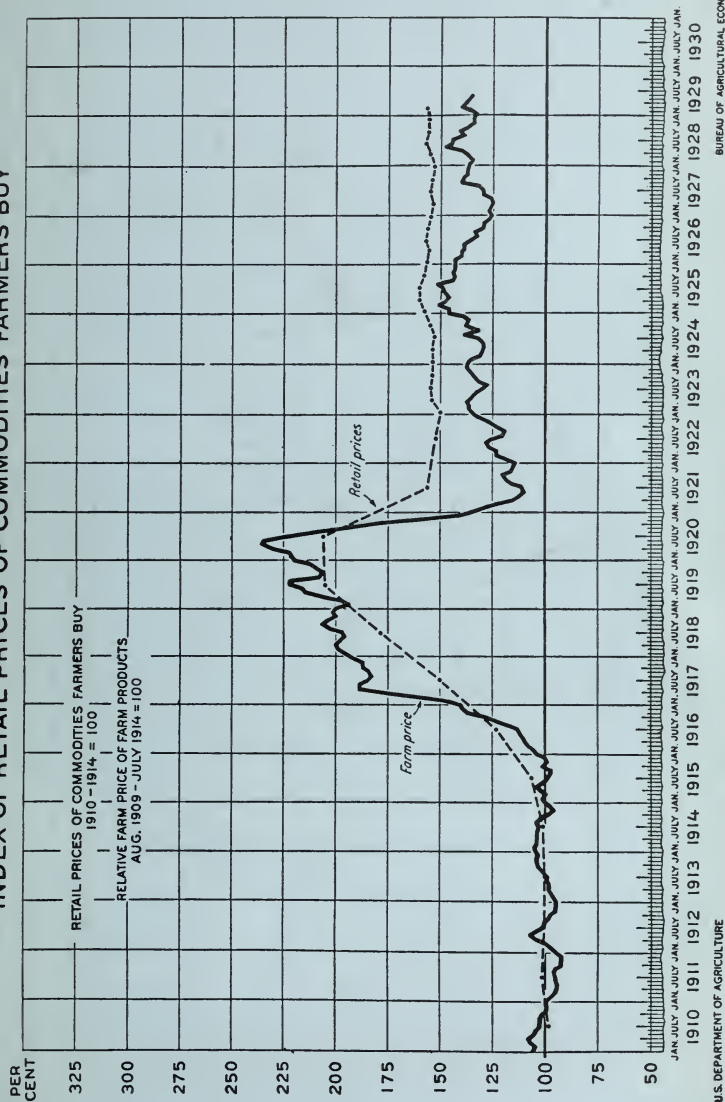
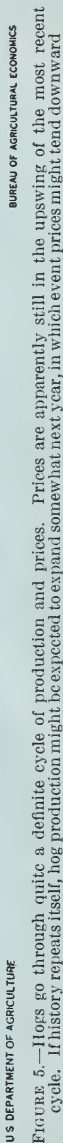
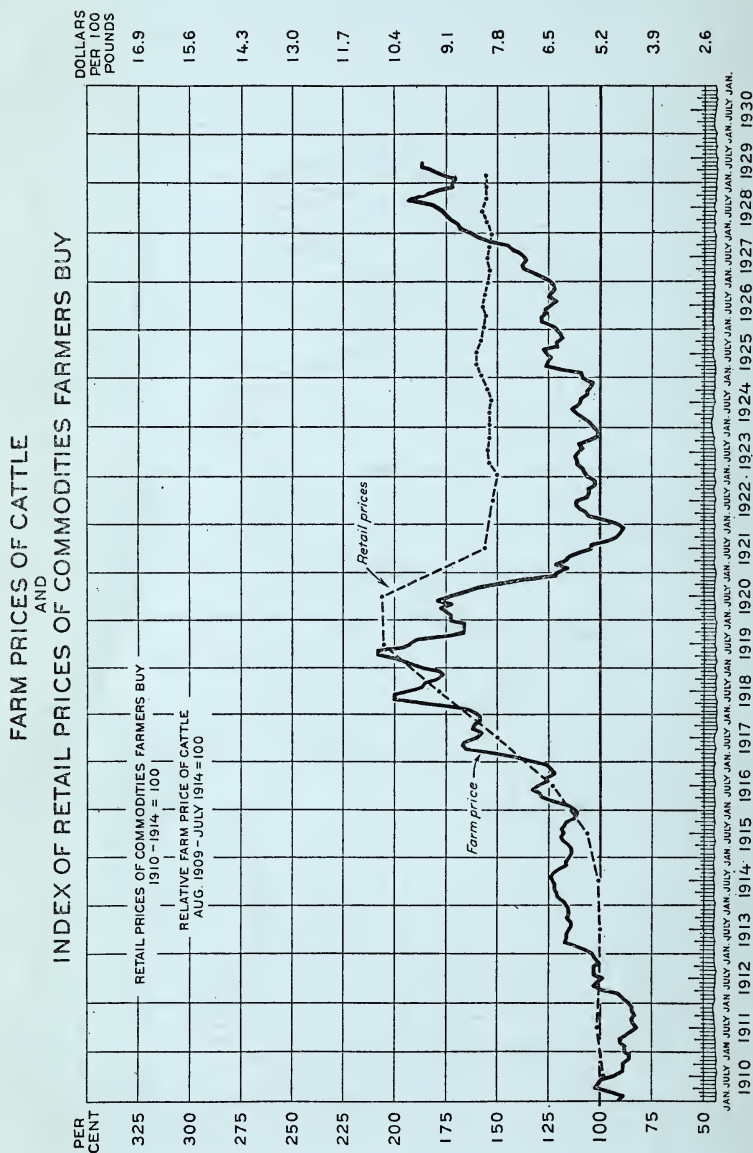


FIGURE 1.—Farm products have sold at a relative disadvantage ever since 1920. Probably the best year during this period was 1925. This chart illustrates the wide fluctuations in prices at the farm as compared with the relatively stable retail price level





U.S. DEPARTMENT OF AGRICULTURE

BUREAU OF AGRICULTURAL ECONOMICS

FIGURE 6.—The production and prices of cattle go through a quite definite cycle, also. Since 1924, the price trend has been markedly upward. Cattle production is now at a low ebb and prices are high. If history repeats itself, production will begin to expand within the next few years, in which event prices would naturally turn downward